



## **MEMORANDUM OF UNDERSTANDING**

between the

**ASSOCIATION OF MUNICIPALITIES OF ONTARIO**

and the

**PROVINCE OF ONTARIO**

**as represented by the Minister of Municipal Affairs and Housing**

(referred to as the parties)

### ***Whereas:***

The well being of Ontario's economy and society and ensuring vibrant, healthy communities for Ontarians is of mutual concern to the parties;

The Province of Ontario (Ontario) wishes to work with Ontario municipalities to promote a strong, barrier-free economy and strong communities with a clean, healthy environment;

All Ontarians, individually and collectively, share responsibility for building and sustaining the province on behalf of present and future generations;

Effective cooperation between Ontario and municipalities enhances certainty and predictability of governmental performance, and promotes public confidence and sound planning;

Public policy issues are complex and thus require coordinated responses from the parties; and

The *Municipal Act, 2001* provides that the Province of Ontario endorses the principle of regular consultation between Ontario and municipalities in relation to matters of mutual interest.

***Therefore:***

Ontario recognizes municipalities as responsible and accountable governments with respect to matters within their jurisdiction, and this Memorandum sets out the principles and procedures regarding consultation between Ontario and the Association of Municipalities of Ontario (AMO); and

Consultation with AMO under the terms of this Memorandum does not preclude Ontario from conducting other consultations directly with the municipal sector.

***Principles:***

**1. Respect for Area of Jurisdiction**

1.1 The parties shall endeavour to discharge their responsibilities within this Memorandum, while respecting each party's area of jurisdiction.

**2. Commitment**

2.1 Ontario is committed to cooperating with municipalities in considering new legislation or regulations that will have a municipal impact.

2.2 Ontario and municipalities share a common goal of ensuring a clear understanding of responsibilities so that Ontario and municipalities are accountable for specific policies and effective performance of their respective roles.

2.3 This Memorandum builds on the strong relationship between Ontario and municipalities and formalizes Ontario's support for the principle of consultation with the municipal sector.

**3. Prior Consultation**

3.1 The objective of consultation with AMO is to receive input on proposals and to identify impacts that would arise from a proposed statutory or regulatory change and its implementation.

3.2 In the spirit of fairness, openness and good faith, any proposed change in legislation or regulations that, in Ontario's opinion, will have a significant financial impact on the current municipal budget year or on the current municipal budget planning cycle will be accompanied by prior consultation.

**4. Responsibilities**

4.1 On matters subject to consultation under the terms of this Memorandum, Ontario shall provide a rationale for the proposed change in legislation or regulations to enable discussion of issues related to the assignment of new and/or expanded responsibilities to the municipal sector.

**5. Exclusions**

- 5.1 Emergency situations, matters subject to public interest immunity and matters in the Provincial budget, budget papers and budget bills are excluded from the application of this Memorandum.

**6. Failure to Comply**

- 6.1 Failure of the parties to comply with this Memorandum does not affect the validity of any action taken by the parties or give rise to any rights or remedies by the parties.

**7. Protocol (Schedule C)**

- 7.1 Consultation with AMO with respect to the negotiation of agreements between Canada and Ontario on matters that have a direct municipal impact shall be carried out in accordance with Schedule C. The provisions of this Memorandum and its schedules shall apply to Schedule C, with necessary modifications.

**8. Information Sharing**

- 8.1 The parties shall cooperate in the development and distribution of information required for effective implementation of this Memorandum. Confidentiality of information will be respected, as described in Schedule A.

**9. Communication**

- 9.1 Over the term of this Memorandum, the Minister of Municipal Affairs and Housing and the President of AMO will provide a joint annual communication statement regarding the Memorandum. The content and format of the communication statement must be agreed upon by the Ministry of Municipal Affairs and Housing (MMAH) and AMO.

***Implementation:*****10. Cooperation**

- 10.1 The parties will cooperate in implementing this Memorandum consistent with the above principles.

**11. Term**

- 11.1 This Memorandum takes effect on the date this Memorandum is executed by the parties and shall remain in effect until three years from the date of execution. The prior Memorandum of Understanding between the parties dated August 23, 2004, is revoked as of the date of the execution of this Memorandum.
- 11.2 Notwithstanding subparagraph 11.1, a party may terminate this Memorandum at any time, without cause, upon ten (10) days written notice.

**12. Renewal**

- 12.1 This Memorandum may be renewed three years after its commencement if both parties agree.

**13. Review of the Memorandum of Understanding**

- 13.1 This Memorandum will be reviewed by the parties one year after adoption, or at any other time mutually agreed upon by the parties. Amendments to the Memorandum may be made with the agreement of both parties.

**14. Entirety**

- 14.1 All terms and conditions of the Schedules are incorporated into this Memorandum except where they are inconsistent with this Memorandum in which case the terms of the Memorandum shall take priority.

**15. Administration of the Memorandum of Understanding**

- 15.1 The lead contacts for administering this Memorandum are:
- Director of the Intergovernmental Relations and Partnerships Branch of MMAH as the designate of the Minister of Municipal Affairs and Housing; and
  - Executive Director of AMO as the designate of the President of AMO.

**16. Meetings**

- 16.1 In furtherance of the objectives of consultation, meetings between the parties shall be held on a regular basis, in such manner as described in Schedule B.
- 16.2 Meetings can be called by either party at the convenience of the other party and will include the Minister and/or the Director of the Intergovernmental Relations and Partnerships Branch of MMAH and the President and/or the Executive Director of AMO.
- 16.3 The scheduling of the meetings, including their frequency, location, timing and identity of participants, is to be mutually agreed to by the parties in conjunction with prior approval of the meeting agenda. In developing a meeting agenda, AMO may suggest specific priority issues or proposed policy or legislative initiatives for discussion.
- 16.4 In advance of any meeting, Ontario can request inclusion of municipal sector representatives beyond the membership of AMO and AMO can request inclusion of Provincial representatives in addition to staff of MMAH, which both parties shall endeavour to accommodate.

16.5 Consultation may take place at any time between Ontario and AMO outside of the meetings referred to in subparagraph 16.1 and may be considered consultation for the purposes of this Memorandum.

**IN WITNESS WHEREOF** to make best efforts to adhere to the terms established in this Memorandum, the parties have executed this Memorandum.

**PROVINCE OF ONTARIO as represented by the Minister of Municipal Affairs and Housing**

*Original signed by*

*Original signed by*

\_\_\_\_\_  
Deputy Minister, Ministry of  
Municipal Affairs and Housing

\_\_\_\_\_  
Minister of Municipal Affairs and  
Housing

August , 20

\_\_\_\_\_  
Date

**ASSOCIATION OF MUNICIPALITIES OF ONTARIO**

*Original signed by*

*Original signed by*

\_\_\_\_\_  
Executive Director, Association  
of Municipalities of Ontario

\_\_\_\_\_  
President, Association of  
Municipalities of Ontario

August . , 20

\_\_\_\_\_  
Date

I have authority to bind the  
Corporation.

## SCHEDULE A

### 1. Confidentiality

- 1.1 For the purposes of this section, "confidential information" means all information or material of Ontario and AMO that is of a proprietary or confidential nature, regardless whether it is identified as proprietary or confidential or not.
- 1.2 The parties shall treat as confidential and safeguard, either during or after the term of this Memorandum, any confidential information acquired by or produced through the performance of this Memorandum and shall not use or disclose to any person, firm, corporation or municipality, either directly or indirectly, any such information without first obtaining the written permission of the other party.
- 1.3 AMO understands and agrees that this Memorandum and any materials or information provided to Ontario through the performance of this Memorandum may be subject to disclosure by Ontario pursuant to the *Freedom of Information and Protection of Privacy Act* (R.S.O. 1990, c.F.31).
- 1.4 Nothing in this Memorandum affects the application or operation of the *Freedom of Information and Protection of Privacy Act*.

## SCHEDULE B

### 1. Attendance at Meetings

#### Core Participants

Minister of Municipal Affairs and Housing and/or Director, Intergovernmental Relations and Partnerships Branch, MMAH  
President of AMO and members of the AMO Executive Committee and/or Executive Director, AMO

#### Other Potential Participants

Deputy Minister, MMAH  
Assistant Deputy Minister, Local Government and Planning Policy Division, MMAH  
Other Assistant Deputy Minister(s), MMAH  
Manager, Intergovernmental Relations and Partnerships Branch, MMAH  
Other MMAH staff

Minister(s) and staff from ministries other than MMAH

AMO staff

At the invitation of AMO, elected representatives from:  
Mayors and Regional Chairs of Ontario (MARCO)  
Large Urban Mayors' Caucus of Ontario (LUMCO)  
Association française des municipalités de l'Ontario (AFMO)

Members of AMO task forces, working groups and/or committees

At the invitation of AMO, other representatives of the municipal sector

### 2. Meeting Schedule

Meetings will be held quarterly, or otherwise as jointly determined by the parties.

### 3. Meeting Locations

Meetings may alternate between MMAH and AMO offices.

### 4. Agenda Setting Procedures

MMAH and AMO staff to discuss draft agenda in advance of meeting. Agenda to be finalized, approved by both parties and distributed two (2) weeks prior to meeting.

### 5. Process for Recording Decision Points

Decision points at each meeting to be recorded by host staff at meeting location, to be approved by both parties and distributed to the MMAH and AMO contacts.

## SCHEDULE C

### PROTOCOL FOR CONSULTATION WITH AMO IN CANADA-ONTARIO NEGOTIATIONS ON MATTERS THAT HAVE A DIRECT MUNICIPAL IMPACT

Ontario is committed to consulting with AMO in its negotiations of agreements with the Government of Canada (Canada) in accordance with this Protocol on matters that have a direct municipal impact.

#### 1. Principles

- 1.1 Ontario recognizes that discussions between Canada and Ontario on matters that have a direct municipal impact will benefit from the input and/or participation of municipal representatives.
- 1.2 Ontario recognises that this Protocol is a first step towards a tripartite framework agreement between Canada, Ontario and AMO.
- 1.3 Consultation with AMO should take place early enough in the process of Canada-Ontario negotiations so that if concerns are raised by Ontario on behalf of AMO, Canada has the opportunity to develop alternative proposals to achieve Canada's policy and program objectives.
- 1.4 The purpose of consultation with AMO is to ensure that municipal and provincial interests are identified and understood so that all governments can work together more effectively. Citizens expect that all governments will work cooperatively to serve the Ontario public.
- 1.5 Consultation with AMO under the terms of this Protocol does not affect the ability of Ontario to set its own priorities and make decisions.

#### 2. Scope of Consultation

- 2.1 Ontario will consult with AMO on proposed Canada-Ontario agreements that directly affect the municipal sector if, in Ontario's opinion, the agreements:
  - a) relate specifically to municipal infrastructure, immigration, labour market development or housing initiatives;
  - b) will have significant financial impacts on the current municipal budget year or on the current municipal budget planning cycle; or
  - c) will lead to unnecessary overlap or duplication between the activities of federal/provincial/municipal governments.

#### 3. Ontario's Role

- 3.1 Ontario recognizes that funds provided by Canada to Ontario under a program of financial assistance to municipalities should be applied exclusively to that program.
- 3.2 In the negotiation of the agreements between Canada and Ontario identified in subparagraph 2.1, Ontario will endeavour to ensure that the following matters are considered:
  - a) Canada's funding programs respect municipal priorities as identified by Ontario in consultation with AMO;
  - b) Canada designs its policy and program options to make municipalities more fiscally sustainable, autonomous and accountable;
  - c) Canada identifies any federal initiatives that could place inappropriate pressures or constraints on municipalities;
  - d) Canada seeks municipal input in the development and design of policy and program options having direct municipal impacts.



#### **4. AMO's Role**

- 4.1 In discussions with Ontario under this Protocol, AMO will endeavour to consult within its membership, such groups as but not limited to, the Large Urban Mayors' Caucus of Ontario (LUMCO), the Mayors and Regional Chairs of Ontario (MARCO) and the Association française des municipalités de l'Ontario (AFMO), and to take into consideration the full range of municipal opinion. AMO will seek to consolidate these views, align municipal perspectives and present these perspectives for discussions with Ontario.
- 4.2 AMO will ensure that it provides the appropriate representatives when having discussions with Ontario under this Protocol.
- 4.3 In providing its input to Ontario under this Protocol, AMO recognizes that time is of the essence.

#### **5. Exclusions**

- 5.1 Meetings and negotiations of First Ministers or the Council of the Federation, Federal-Provincial-Territorial fora, bilateral or multi-lateral Provincial-Territorial fora and meetings or negotiations involving matters related to foreign relations or foreign jurisdictions are excluded from the application of this Protocol.
- 5.2 Land claims and self government agreements negotiated between Canada, Ontario and First Nations are excluded from the application of this Protocol.
- 5.3 Subsequent to the meetings referred to in subparagraph 5.1 and subject to any consent that may be required of parties participating in the meetings, Ontario will endeavour to report to AMO on matters discussed at the meetings which, in Ontario's opinion, have a direct municipal impact.
- 5.4 Consultation with AMO under the terms of this Protocol does not preclude Ontario from consulting directly with specific municipalities. In addition, Ontario may request selected municipalities to participate in provincial/municipal funding and service delivery initiatives.
- 5.5 Consultation with AMO under the terms of this Protocol does not preclude Ontario from consulting directly with Canada, other entities or individuals on matters having a direct municipal impact.

#### **6. Manner of Consultation**

- 6.1 Ontario will consult with AMO in any manner it chooses, including but not limited to the following:
  - a) Ontario may invite AMO to participate directly in Canada-Ontario discussions;
  - b) Ontario may request AMO's input at meetings held pursuant to paragraph 16 of the Memorandum of Understanding including, without limitation, requests for input with respect to matters referred to in subparagraph 5.1;
  - c) Ontario may invite AMO to provide input to Ontario in advance of any Canada-Ontario meeting;
  - d) Ontario may request AMO to participate in concurrent discussions with Ontario during Canada-Ontario negotiations; or
  - e) Ontario may request AMO to participate in working groups that design, administer or implement programs arising from agreements entered into between Ontario and Canada.
- 6.2 Prior to choosing the manner of consultation with AMO under subparagraph 6.1, Ontario may seek input from AMO as to the appropriate form of consultation.